

PROGRAM VII: INSURANCE, RESERVES & MISCELLANEOUS

Summary of Appropriations and Revenues

Agency	Agency Name	FY 2005-2006 Appropriations	FY 2005-2006 Revenue	FY 2005-2006 Net County Cost
004	Miscellaneous	195,463,571	206,288,134	(10,824,563)
056	Employee Benefits	2,151,678	991,454	1,160,224
100	General Fund	5,000,000	0	5,000,000
	GENERAL FUND SUBTOTAL	202,615,249	207,279,588	(4,664,339)
13A	Litigation Reserve - Escrow Agent FTCL	188,927	188,927	0
145	Revenue Neutrality	8,377,937	8,377,937	0
14A	Option B Pool Participants Registered Warrants	866,930	866,930	0
14C	Class B-27 Registered Warrants	52,197	52,197	0
14F	Deferred Compensation Reimbursement (HR)	2,072,395	2,072,395	0
14X	Tobacco Settlement	2,189,882	2,189,882	0
14Y	Indemnification Reserve	27,300	27,300	0
14Z	Litigation Reserve	3,685,042	3,685,042	0
15S	Designated Special Revenue	27,113,897	27,113,897	0
15Z	Plan of Adjustment Available Cash	10,258,328	10,258,328	0
289	Information Technology Internal Service Fund	54,439,822	54,439,822	0
290	Health Maintenance Organization Health Plans ISF	84,927,391	84,927,391	0
291	Unemployment Insurance Internal Service Fund	8,455,314	8,455,314	0
292	Self-Insured PPO Health Plans ISF	67,136,334	67,136,334	0
293	Workers' Compensation Internal Service Fund	55,125,919	55,125,919	0
294	Property and Casualty Risk Internal Service Fund	33,154,403	33,154,403	0
295	Retiree Medical Internal Service Fund	61,047,611	61,047,611	0
296	Transportation Internal Service Fund	21,711,098	21,711,098	0
297	Reprographics Internal Service Fund	4,947,359	4,947,359	0
298	Self-Insured Benefits Internal Service Fund	8,387,302	8,387,302	0
29Z	Life Insurance Internal Service Fund	1,161,125	1,161,125	0
	OTHER FUNDS SUBTOTAL	455,326,513	455,326,513	0
	TOTAL - INS., RESERVES & MISCELLANEOUS	657,941,762	662,606,101	(4,664,339)

004 - MISCELLANEOUS

Operational Summary

Description:

This budget unit is a compilation of miscellaneous General Fund activities that includes: Required contributions to the Orange County Employees Retirement System (OCERS), General Fund transfer to Internal Service Funds for purchase of new equipment exceeding accumulated depreciation, General Fund reserves related to the County's Strategic Financial Plan, General Fund retirement contribution reimbursement from County departments and County General overhead recovery from other funds (CWCAP).

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	213,524,976
Total Final FY 2005-2006	195,463,571
Percent of County General Fund:	7.46%
Total Employees:	.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

The FY 2005-06 budget includes \$2.1 million to be transferred to Fund 15L - 800MHz Countywide Coordinated Communications System, for site construction/development.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	158,179,855	204,603,883	209,424,889	206,288,134	(3,136,755)	-1.49
Total Requirements	127,639,982	225,147,065	213,524,977	195,463,571	(18,061,406)	-8.45
Net County Cost	(30,539,873)	20,543,182	4,100,088	(10,824,563)	(14,924,651)	-364.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Miscellaneous in the Appendix on page page 468

056 - EMPLOYEE BENEFITS

Operational Summary

Description:

Employee Benefits administers a wide variety of self-funded benefits and group insurance plans for County employees, retirees and their dependents.

Strategic Goals:

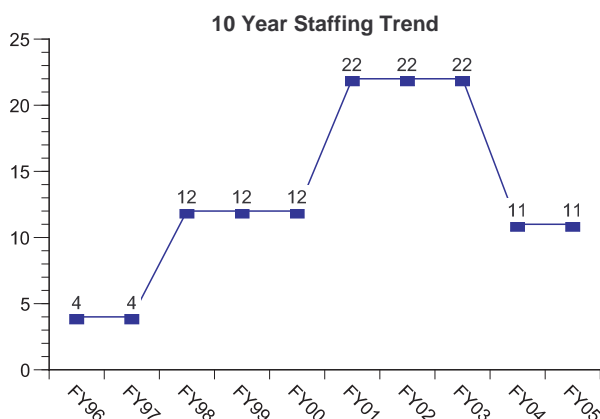
- The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- Employee Benefits' revenues and expenditures are anticipated to be within Net County Cost limit primarily due to savings in professional services contract as a result of the Extra Help Defined Benefit Retirement Plan being brought back in-house as well as savings generated as a result of a Request for Proposal for the Employee Assistance Program.

Employee Benefits - Employee Benefits designs, implements and administers a wide variety of self-funded benefits and group insurance plans for County employees, retirees and their dependents.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Employee Benefits implemented the County of Orange Benefits Center on January 1, 2003. The Benefits Center allows employees and retirees to access their benefits

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	3,792,890
Total Final FY 2005-2006	2,151,678
Percent of County General Fund:	0.08%
Total Employees:	11.00

information via the Web Site and/or the Benefits Center Toll-Free Benefits Resource Line resulting in streamlined administration and enrollment of the Employee Benefits functions. As a result, one position was deleted mid-year of FY 02-03 and 10 positions were deleted in the FY 03-04 budget.

- For FY 1996-97 through FY 1999-2000, the number of Employee Benefits positions were lower due to the majority of the employees were Auditor-Controller employees.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

Changes Included in the Base Budget:

The allocation of Optional Benefit Plan (OBP) costs formerly in Agency 056 is being included in departments'/agencies' budgets starting FY 05-06, thereby eliminating the need for Agency 056 to fund all OBP and cost apply the departments. The appropriate Net County Cost allocations were transferred from Agency 056 to the different agencies whose OBP costs were previously funded by General Fund in Agency 056.

The administration of the Extra Help Defined Benefit Plan continues to be performed in-house resulting in substantial savings in administrative costs (approximately \$100,000 annually).

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Positions	11	11	11	11	0	0.00
Total Revenues	1,866,021	4,822,245	1,987,816	991,454	(996,362)	-50.12
Total Requirements	4,502,999	8,388,338	3,784,769	2,151,678	(1,633,091)	-43.14
Net County Cost	2,636,978	3,566,093	1,796,953	1,160,224	(636,729)	-35.43

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Employee Benefits in the Appendix on page page 512

100 - GENERAL FUND

Operational Summary

Description:

Support the Activities of the General Fund.

Beginning in 1998-99 funds have been reserved for Strategic Priorities approved in the various Strategic Financial Plans. The reserve is increased when the Board of Supervisors allocates Fund Balance Available and decreased when the reserve is reduced, as planned, to fund implementation of strategic priorities.

The Strategic Priority reserve currently has a balance of approximately \$74.6 million. For FY 2005-06, anticipated reserve uses include \$9.7 million to backfill the second and final year of the State of California local government revenue shift (total County of Orange shift for FY 2005-06 = \$27.7 million), \$1.5 million reserved for enhancements to the County's Assessment Tax System (ATS) and \$1.5 million for consultant services to plan replacement strategies for the County's Countywide Accounting and Personnel System (CAPS).

Strategic Goals:

- Funds the Net County Cost of strategic priorities identified in the various Strategic Financial Plans.
- Funds the County General Fund Reserve for Contingencies. Prior to FY 2005-06, this reserve was appropriated in Agency 099 - Provisions for Contingencies. As part of the County's General Fund Reserve Policy, it was determined that the total contingency amount would be officially reserved thus eliminating the need for Agency 099.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Strategic Priority reserve will be drawn down as needed to provide general purpose funding for the County's Strategic Priorities. For FY 2005-06, the reserve is reduced by \$3.0 million; \$1.5 million for planned enhancements to the Assessor Tax System (ATS) and \$1.5 million for consultant services to plan for the replacement of the County's Countywide Accounting and Personnel System (CAPS).

Changes Included in the Base Budget:

The FY 2005-06 budget includes a \$5.0 million appropriation to increase the General Fund Reserve for Contingencies bringing the reserve total to \$23.0 million. Previously, reserves for contingencies were appropriated in Agency 099.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Requirements	0	0	0	5,000,000	5,000,000	0.00
Net County Cost	0	0	0	5,000,000	5,000,000	0.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: General Fund in the Appendix on page page 545

Budget Units Under Agency Control:

No.	Agency Name	CGRV	COGN	Total
100	General Fund	5,000,000	0	5,000,000
	Total	5,000,000	0	5,000,000

13A - LITIGATION RESERVE - ESCROW AGENT FTCl

Operational Summary

Description:

To pay future expenses, fees and other charges incurred by the Representative's Escrow Agent (under the County's Bankruptcy Plan of Adjustment), the Fiduciary Trust Company International, as required by court order for the distribution of bankruptcy related litigation proceeds.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	167
Total Final FY 2005-2006	188,927
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	183,416	186,227	187,339	188,927	1,588	0.84
Total Requirements	189	186,227	168	188,927	188,759	112,658.57
Balance	183,227	0	187,171	0	(187,171)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Litigation Reserve - Escrow Agent FTCl in the Appendix on page page 583

145 - REVENUE NEUTRALITY

Operational Summary

Description:

On June 29, 2001 the Auditor-Controller established Fund 252 - Revenue Neutrality Trust Fund to record payments from cities pursuant to existing and future incorporation agreements. On November 5, 2002, the Board of Supervisors directed the Auditor-Controller to: establish Fund 145 - Revenue Neutrality Fund; transfer the remaining cash balance

from Fund 252 to Fund 145; and to close Fund 252. The new fund was established to fulfill new GASB requirements regarding proper categorization of trust funds. This reserve serves as an endowment to the General Fund with interest credited annually in arrears.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	89,078
Total Final FY 2005-2006	8,377,937
Percent of County General Fund:	N/A
Total Employees:	.00

FY 2004-05 Key Project Accomplishments:

- During Fiscal Year 2004-05, \$78,153 will be transferred to the General Fund which represents FY 2003-04 net interest earned by the fund.

Budget Summary

Changes Included in the Base Budget:

FY 2005-06 Budget includes an increase to reserves of \$8.0 million to the departmental reserve for contingencies bring the reserve total to \$16.5 million. The FY 2005-06 budget also includes an anticipated transfer to the General Fund of \$237,848 which represents the FY 2004-05 net interest proceeds.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	8,699,440	12,444,234	14,354,200	8,377,937	(5,976,263)	-41.63
Total Requirements	40,972	12,444,234	8,589,079	8,377,937	(211,142)	-2.45
Balance	8,658,468	0	5,765,121	0	(5,765,121)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Revenue Neutrality in the Appendix on page page 598

14A - OPTION B POOL PARTICIPANTS REGISTERED WARRANTS

Operational Summary

Description:

This fund records available revenues and payments to the Option "B" pool participants for registered warrants issued to them under the Option B pool participant agreement.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	904,044
Total Final FY 2005-2006	866,930
Percent of County General Fund:	N/A
Total Employees:	.00

Option B Pool Partic Reg Warrs - This fund records available revenues and payments to the Option "B" pool participants for registered warrants issued under the Option "B" pool participant agreement.

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	969,419	917,800	919,015	866,930	(52,085)	-5.66
Total Requirements	956,044	917,800	904,044	866,930	(37,114)	-4.10
Balance	13,375	0	14,970	0	(14,970)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Option B Pool Participants Registered Warrants in the Appendix on page page 601

14C - CLASS B-27 REGISTERED WARRANTS

Operational Summary

Description:

Certain tort claims which existed prior to the County's filing for Chapter 9 Bankruptcy Protection in December 1994 are classified as "B27 Claims". This fund records available revenues and payments for Class B27 claims as required under the County's Second Amended Modified Plan of Adjustment (Bankruptcy Recovery Plan).

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	-1.00
Total Final FY 2005-2006	52,197
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004 Actual Exp/Rev	FY 2004-2005 Budget	FY 2004-2005 Actual Exp/Rev ⁽¹⁾	FY 2005-2006 Final Budget	Change from FY 2004-2005	
		As of 6/30/05	As of 6/30/05		Actual Amount	Percent
Total Revenues	2,146	102,177	2,195	52,197	50,002	2,278.09
Total Requirements	0	102,177	(2)	52,197	52,199	-3,034,809.30
Balance	2,147	0	2,197	0	(2,197)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Class B-27 Registered Warrants in the Appendix on page page 603

14F - DEFERRED COMPENSATION REIMBURSEMENT (HR)

Operational Summary

Description:

The Deferred Compensation Reimbursement Fund was established to make payments pursuant to the Fixed Fund Retirement contract with Nationwide Life Insurance Company.

Strategic Goals:

- Fund 14F is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

Deferred Comp Reimb (HR) - The Deferred Compensation Reimbursement Fund was established to make payments pursuant to the Fixed Fund Retirement contract with Nationwide Life Insurance Company.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 14F is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	5,219,914
Total Final FY 2005-2006	2,072,395
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

The funding for Contingent Deferred Sales Charges is lower due to the reduction in interest rates for Contingent Deferred Sales Charges over time. These charges will be eliminated entirely starting in 09/30/06, followed only by potential penalties that may be assessed for final fund transfers at this time (Market Value Adjustments). The fund balance is lower in FY 05-06 due to the transfer of \$5 million in FY 04-05 to the General Fund (Fund 100, Agency 100) per directions from the CEO.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	7,394,689	7,223,895	7,230,802	2,072,395	(5,158,407)	-71.33
Total Requirements	273,062	7,223,895	5,216,567	2,072,395	(3,144,172)	-60.27
Balance	7,121,627	0	2,014,234	0	(2,014,234)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Deferred Compensation Reimbursement (HR) in the Appendix on page page 606

Highlights of Key Trends:

- The funding for Contingent Deferred Sales Charges is lower due to the reduction in interest rates for Contingent Deferred Sales Charges over time. These charges

will be eliminated entirely starting in 09/30/06, followed only by potential penalties that may be assessed for final fund transfers at this time (Market Value Adjustments).

14X - TOBACCO SETTLEMENT

Operational Summary

Description:

To budget for Board approved uses of the County's share of the national tobacco settlement received before July 1, 2001. On November 7, 2000, the voters of Orange County overwhelmingly approved Measure "H". Measure "H" approved an ordinance that restricts the use of Tobacco Settlement Revenue (TSR) received after July 1, 2001. (see Fund 13N)

The FY 2005-06 budget for this fund reflects the carryover of unspent funds allocated by Board action on December 5, 2000. The Board allocated FY 2000-2001 TSR, \$28.4 million, as follows: 50% for health care initiatives including \$1.2 million for an ocean water quality monitoring lab and the remaining 50% allocated as follows: \$5.4 million for the Phase III Theo Lacy Branch Jail expansion, \$1.3 million to reimburse the County General Fund for a 60 bed secured substance abuse rehabilitation pilot program at the Theo Lacy Branch Jail and \$7.5 million for debt reduction.

Strategic Goals:

- To use Tobacco Settlement Revenue (TSR) received in FY 2000-2001 to construct a Water Quality Lab in Upper Newport Bay and complete targeted health care initiatives.

Still unspent is the allocation of \$1.2 million for a Water Quality Lab for Health Care Agency.

In FY 2003-04, the contractor for the Sheriff's Incustody program returned \$0.8 million unused deposit and interest, which would be budgeted for the Sheriff's Incustody program in FY 2005-06. The \$1.2 million for Water Quality Lab is budgeted for FY 2005-06.

When the carryover from FY 2004-2005, about \$2.1 million is expended, this fund will be closed out.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	2,182
Total Final FY 2005-2006	2,189,882
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

The \$0.8 million unused deposit and interest budgeted for the Sheriff's Incustody program for FY 2005-06. The \$1.2 million for Water Quality Lab is budgeted for FY 2005-06.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	2,118,965	2,127,882	2,187,560	2,189,882	2,322	0.10
Total Requirements	1,083	2,127,882	841,418	2,189,882	1,348,464	160.26
Balance	2,117,882	0	1,346,142	0	(1,346,142)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Tobacco Settlement in the Appendix on page page 616

14Y - INDEMNIFICATION RESERVE

Operational Summary

Description:

To provide for indemnification of the Representative and others under the County's Second Amended Modified Plan of Adjustment (Bankruptcy Recovery Plan) as required by court order for the distribution of bankruptcy related litigation proceeds. If funds remain at the end of FY 2009-2010, balances will be distributed by the County in accordance with the Bankruptcy Recovery Plan.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	1,040
Total Final FY 2005-2006	27,300
Percent of County General Fund:	N/A
Total Employees:	.00

Indemnification Reserve - The Indemnification Reserve Fund was established to provide for indemnification of the Representative and others under the County's Second Amended Modified Plan of Adjustment as required by court order.

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	1,138,708	18,300	27,327	27,300	(27)	-0.09
Total Requirements	1,136,908	1,500	13,840	27,300	13,460	97.25
Balance	1,800	16,800	13,486	0	(13,486)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Indemnification Reserve in the Appendix on page 617

14Z - LITIGATION RESERVE

Operational Summary

Description:

To provide a reserve for potential litigation costs incurred by the Representative under the County's Bankruptcy Plan of Adjustment (Bankruptcy Recovery Plan) as required by court order for the distribution of bankruptcy related litigation proceeds. If funds remain at the end of FY 2009-2010, balances will be distributed by the County in accordance with the Bankruptcy Recovery Plan.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	3,244
Total Final FY 2005-2006	3,685,042
Percent of County General Fund:	N/A
Total Employees:	.00

Litigation Reserve - The Litigation Reserve Fund was established to provide a reserve for potential litigation costs incurred by the Representative under the County's Bankruptcy Plan of Adjustment as required by court order.

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	3,609,685	3,656,042	3,686,964	3,685,042	(1,922)	-0.05
Total Requirements	3,642	3,656,042	3,245	3,685,042	3,681,797	113,474.96
Balance	3,606,042	0	3,683,719	0	(3,683,719)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Litigation Reserve in the Appendix on page page 618

15S - DESIGNATED SPECIAL REVENUE

Operational Summary

Description:

To provide cash for intra/inter fund cashflow loans and to fund strategic priorities identified in the County's Strategic Financial Plan.

On May 12, 1998, the Board approved the strategy in the 1998 Strategic Financial Plan which programmed the use of cash in this fund to pay for one-time costs such as jail construction. When the cash in this fund is insufficient for cashflow loans, another source (e.g., short term market borrowing) will be developed. As with any long-term plan, the Board could re-program the funding toward different uses should priorities change or if funding is needed to address other financial issues.

Available in the FY 2005-2006 budget are appropriations for projects to remedy deferred maintenance and Americans with Disabilities Act deficiencies, and a new regional animal care facility.

On February 26, 2002, the Board of Supervisors authorized a transfer of \$25,259,480 from this fund to 15C, for the construction of Theo Lacy Jail Expansion Building "b". Reimbursement from the Public Safety share of the Tobacco Settlement revenue over the next 5 years are programmed into the budget. For further information, see Fund 15C in Program V.

A portion of the appropriations for projects to remedy deferred maintenance and Americans with Disabilities Act deficiencies are carried over from FY 2004-2005.

There is sufficient cash projected to be available in this fund during FY 2005-2006 to make necessary cashflow loans, however as a back up, the Auditor-Controller has identified additional sources for cashflow loans in FY 2005-2006.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	4,950,283
Total Final FY 2005-2006	27,113,897
Percent of County General Fund:	N/A
Total Employees:	.00

Strategic Goals:

- Provide a source of funding for specific strategic priorities identified by the Board in the 1998 Strategic Financial Plan, confirmed in subsequent plan updates and committed to in annual County budgets.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Money in this fund is programmed for use for strategic priorities as originally identified in the 1998 Strategic Financial Plan. The Board reviews the strategic priorities on an annual basis and may reallocate funding to meet current needs during the budget process.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	53,770,579	25,988,288	25,988,288	27,113,897	1,125,609	4.33
Total Requirements	32,378,444	25,988,288	5,060,283	27,113,897	22,053,614	435.81
Balance	21,392,135	0	20,928,004	0	(20,928,004)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Designated Special Revenue in the Appendix on page page 632

15Z - PLAN OF ADJUSTMENT AVAILABLE CASH

Operational Summary

Description:

This fund records the use of the annual excess of diverted revenues needed to meet the debt service requirements of the 1996 Recovery Certificates of Participation (see Fund 100, Agency 016) and the annual obligation to issue County Warrants to Option B Pool Participants (see Fund 14A). The money in this fund is used to amortize bankruptcy related losses to County Administered Accounts in accordance with the Second Amended Modified Plan of Adjustment.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	4,402,047
Total Final FY 2005-2006	10,258,328
Percent of County General Fund:	N/A
Total Employees:	.00

Ten Year Staffing Trend Highlights:

■ Not applicable.

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	9,088,717	9,712,930	12,813,279	10,258,328	(2,554,951)	-19.93
Total Requirements	4,686,627	9,712,930	4,402,048	10,258,328	5,856,280	133.03
Balance	4,402,090	0	8,411,231	0	(8,411,231)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Plan of Adjustment Available Cash in the Appendix on page page 635

289 - INFORMATION TECHNOLOGY INTERNAL SERVICE FUND

Operational Summary

Description:

The mission of the Information Technology Internal Service Fund (ISF) is to provide telephone, network, desktop, data, and application services to County Agencies and Departments and manage the Enterprise Data Center. The Information Technology ISF also supports policy and strategic functions countywide as directed by the County Chief Information Officer, as well as providing support for new information systems projects. The Information Technology ISF is funded by service charges to customers.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	46,558,371
Total Final FY 2005-2006	54,439,822
Percent of County General Fund:	N/A
Total Employees:	60.00

Strategic Goals:

- The goals for Information Technology ISF for FY 2005-2006 are to: 1) Continue to review Countywide IT services and implement recommended changes to provide efficiencies and cost savings to County Agencies and Departments; 2) Provide oversight and manage the County data and telecommunications ACS extended staff contract; 3) Implement customer service focused improvements; 4) Support a Countywide IT Strategic Plan and implementation of IT standards; 5) Complete installation of a new IBM processor; 6) Broaden the imaging program to include microfiche imaging; and 7) Continue to strengthen network security.

Key Outcome Indicators:

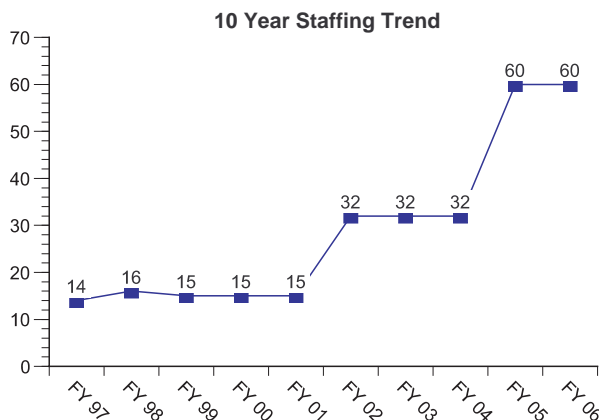
Performance Measure	2004 Business Plan Results	2005 Business Plan Target	How are we doing?
COUNTY AGENCIES AND DEPARTMENTS EVALUATE THE IT SERVICE PROVIDER IN A CUSTOMER SATISFACTION SURVEY. What: The Customer Satisfaction Survey is completed by County agencies and departments every six months. Why: CEO/IT is evaluated to determine whether or not they have performed satisfactorily.	The performance objectives as measured by the customer satisfaction survey were exceeded.	CEO/IT will again be evaluated using the Customer Satisfaction Survey.	CEO/IT has met or exceeded all performance objectives.

FY 2004-05 Key Project Accomplishments:

- 1) Implemented .NET programming; 2) Successfully completed implementation of document imaging program; 3) Began implementation of IBM processor replacement; 4) Implemented increased network security; 5) Began implementation of ATM and Telephone switch upgrades; 6) Standardized content of County WEB pages; and 7) Continued assessments of departmental information technology operations.

Telephone ISF - The Information Technology ISF supports a wide range of data and telecommunications activities. The ISF operates the County Enterprise Data Center and the County Telephone System (OCTNET). Telephone services provided include voice mail, cabling, and repair and maintenance of telephone systems. Data services include main-frame processing, applications programming, laser printing, imaging, internet/intranet/extranet connectivity, WEB services, Help Desk services, and Telecommunications services. Day to day operations are contracted out to Affiliated Computer Services (ACS) and their subcontractor SBC.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- In Fiscal Year 2004-2005, there were 62 employees in the Information Technology ISF. Two limited term office assistant positions were deleted in the Third Quarter Budget Report. The Information Technology ISF will have 60 positions during Fiscal Year 2005-2006.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Information Technology ISF is supporting the development, enhancement and improvement of County enterprise systems such as the County Accounting and Personnel System, ebusiness systems, County Internet Web sites, Onbase ERMI (document imaging), the County of Orange Intranet site and the County Wide Area Network. The IT ISF is in the process of planning for the replacement of the IBM processor. CEO/IT is working to improve the customer billing process. CEO/IT is continuing an audit of all data and telephone lines to eliminate redundancies and identify cost savings.

Final Budget History:

Sources and Uses	FY 2003-2004 Actual Exp/Rev	FY 2004-2005 Budget	FY 2004-2005 Actual Exp/Rev ⁽¹⁾	FY 2005-2006 Final Budget	Change from FY 2004-2005 Actual	
		As of 6/30/05	As of 6/30/05		Amount	Percent
Total Positions	50	60	60	60	0	0.00
Total Revenues	46,051,732	56,665,775	48,972,837	54,439,822	5,466,985	11.16
Total Requirements	44,893,408	56,127,342	42,745,957	54,439,822	11,693,865	27.36
Balance	1,158,324	538,433	6,226,880	0	(6,226,880)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Information Technology Internal Service Fund in the Appendix on page page 655

Highlights of Key Trends:

- The Information Technology ISF supports key trends such as the implementation of ebusiness for government, WEB based applications, and self service delivery.

290 - HEALTH MAINTENANCE ORGANIZATION HEALTH PLANS ISF

Operational Summary

Description:

The Health Maintenance Organization Health Plans Internal Service Fund (ISF) provides health benefits to employees, retirees, and their dependents enrolled in health plans covered by Health Maintenance Organizations (HMO).

Strategic Goals:

- Fund 290 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- None. This is a new Internal Service Fund starting Fiscal Year 05-06. The funds for the health plans covered by Health Maintenance Organizations (HMO) was originally in a Trust Fund.

Health Maintenance Organization Health Plans ISF - The Health Maintenance Organization Health Plans Internal Service Fund (ISF) provides health benefits to employees, retirees and their dependents enrolled in health plans covered by Health Maintenance Organizations (HMO).

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 290 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	
Total Final FY 2005-2006	84,927,391
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

Fiscal Year 05-06 is the first year of budgeting for this new ISF. The budgeted amount for expenditures for July to December 2005 is based on the current average monthly premium. For January to June 2006, an estimated premium increase was added to the average monthly premium in anticipation of health plan premium increases for the 2006 plan year.

For revenue, the budgeted amount is the same as the current average monthly premium. The same percentage increase used in budgeting expenditures was used to budget for the January to June 2006 premium revenue. However, on a month to month basis, premium revenue collected will not match dollar for dollar to premiums paid due to timing of deductions and retroactive enrollment changes.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	0	0	0	84,927,391	84,927,391	0.00
Total Requirements	0	0	0	84,927,391	84,927,391	0.00
Balance	0	0	0	0	0	0.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Health Maintenance Organization Health Plans ISF in the Appendix on page page 659

Highlights of Key Trends:

- There are no budgeted County fees assigned as expenses within this fund as the Auditor Controller has determined that County fees such as CWCAP and Single Audit Costs are not appropriate given the uses and reve-

nue sources of this fund. Premium revenue is designed to fund only premium expenses. If a future decision imposes new non-premium costs to this fund, Net County Cost appropriations will be required to fund these expenses.

291 - UNEMPLOYMENT INSURANCE INTERNAL SERVICE FUND

Operational Summary

Description:

The Unemployment Internal Service Fund (ISF) provides for self insurance of unemployment claims, administrative fees and related programs associated with the State mandated unemployment insurance program.

Strategic Goals:

- Fund 291 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- A \$3.2 million refund to departments/agencies occurred in FY 04-05 to reduce the fund balance per recommendation of State audit.

Unemployment ISF - The Unemployment Insurance Internal Service Fund (ISF) provides for self insurance of unemployment claims, administrative fees and related programs associated with the State mandated unemployment insurance program.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 291 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	859,706
Total Final FY 2005-2006	8,455,314
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

The funding for unemployment claims is higher based on increases in unemployment benefits paid to separated employees. Increases in mandated weekly benefits resulted in increases in unemployment costs. The actuarial analysis of this fund has determined that the current rate of .0015 of payroll being charged to County departments is appropriate to fund current claims and administration expenses and that there are current reserves sufficient to fund potential economic downturns or internal labor market issues.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	10,670,587	11,012,539	7,891,492	8,455,314	563,822	7.14
Total Requirements	1,307,451	11,012,540	859,706	8,455,314	7,595,608	883.51
Balance	9,363,136	(1)	7,031,786	0	(7,031,786)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Unemployment Insurance Internal Service Fund in the Appendix on page page 660

Highlights of Key Trends:

- The funding for unemployment claims is higher based on increases in unemployment benefits paid to separated employees. Increases in mandated weekly benefits resulted in increases in unemployment costs. The actuarial analysis of this fund has determined that the cur-

rent rate of .0015 of payroll being charged to County departments is appropriate to fund current claims and administration expenses and that there are current reserves sufficient to fund potential economic downturns or internal labor market issues.

292 - SELF-INSURED PPO HEALTH PLANS ISF

Operational Summary

Mission:

The County Indemnity Health Internal Service Fund (ISF) provides for self insurance of health benefits and administrative fees associated with claims from employees, retirees, and their dependents enrolled in the Premier Wellwise and Premier Sharewell health plans.

Strategic Goals:

- Fund 292 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- Medical claims expenditures are expected to be lower than projected due to anticipated savings from health plan design changes, reduction in enrollments, as well as expected improvement in discounts and lower medical claims administration costs related to the new Third Party Claims Administrator.

Self-Insured PPO Health Plans - The County Indemnity Health Internal Service Fund (ISF) provides for self insurance of health benefits and administrative fees associated with claims from employees, retirees, and their dependents enrolled in the Premier Wellwise and Premier Sharewell health plans.

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	57,428,343
Total Final FY 2005-2006	67,136,334
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 292 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

Changes Included in the Base Budget:

Medical inflation (trend) continues to rise causing an increase in medical and prescription claims within the PPO health plans. In January 2005, the County contracted with a new Third Party Claims Administrator, PacifiCare Health Plan Administrators. It is anticipated that savings will be generated as a result of health plan design changes, reduction in enrollment, and expected improvement in PPO discounts from PacifiCare Health Plan Administrators.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget	Actual Exp/Rev ⁽¹⁾	Final Budget	Actual	Percent
Total Revenues	65,437,421	72,643,102	66,304,459	67,136,334	831,875	1.25
Total Requirements	62,397,691	72,643,102	57,428,343	67,136,334	9,707,991	16.90
Balance	3,039,730	0	8,876,116	0	(8,876,116)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Self-Insured PPO Health Plans ISF in the Appendix on page page 661

Highlights of Key Trends:

- Medical inflation (trend) continues to rise causing an increase in medical and prescription claims within the PPO health plans. In January 2005, the County contracted with a new Third Party Claims Administrator,

PacifiCare Health Plan Administrators. It is anticipated that savings will be generated as a result of health plan design changes, reduction in enrollment, and expected improvement in PPO discounts from PacifiCare Health Plan Administrators.

293 - WORKERS' COMPENSATION INTERNAL SERVICE FUND

Operational Summary

Description:

The Workers' Compensation Internal Service Fund is a division of the CEO/Office of Risk Management whose mission is to preserve and protect the human and capital assets of the County of Orange.

Strategic Goals:

- It is the goal of the self-insured Workers' Compensation Program to provide prompt state-mandated benefits to injured County employees and manage the anti-fraud program. This program also integrates workers' compensation benefits with specific benefits within labor agreements.
- The Safety and Loss Prevention Program strives to provide a safe environment for both County employees and members of the public who visit County facilities and receive County services through its pro-active safety, loss prevention, training and inspection programs. This strategy compliments current departmental efforts to reduce the total cost of workers' compensation and liability claims.

Key Outcome Indicators:

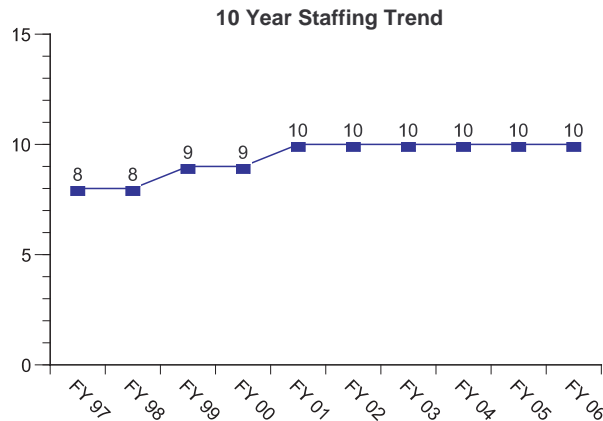
Performance Measure	2004 Business Plan Results	2005 Business Plan Target	How are we doing?
RELATIVE COST OF SAFETY AND WORKERS' COMPENSATION PROGRAM What: Shows the total expenditures of this program as a percent of total county expenditures. Why: Provides a constant measure of costs for all County departments.	The overall cost of this statutory benefit program was 1.05% of total county expenditures.	Remain 1% of total county expenditures.	Safety and Workers' Compensation Program costs for FY 2003-2004 were just over 1% of total county expenditures which is substantially lower than commercial insurance would have been.

FY 2004-05 Key Project Accomplishments:

- Active support of Board of Supervisors' efforts for legislative reform of workers' compensation law to contain costs, which are leveling now.
- Charges to county departments for this program are 41% less than what comparable commercial insurance would have cost based upon the California Workers' Compensation Uniform Statistical Plan rates.
- Implementation of Utilization Review using American College of Occupational and Environmental Medicine treatment Guidelines on all workers' compensation cases to reduce medical costs and work days lost.

Workers Compensation ISF - Workers' Compensation insurance and claim administration, Safety and Loss Prevention, and Anti-Fraud programs.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Overall expansion and increasing claims administration responsibilities of the program required program adjustments and increased technology to meet new challenges with level staffing.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Support the overall mission of the County Executive Office and Strategic Financial Plan.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Positions	10	10	10	10	0	0.00
Total Revenues	40,338,101	51,988,672	51,885,773	55,125,919	3,240,146	6.24
Total Requirements	40,338,103	51,990,312	51,881,466	55,125,919	3,244,453	6.25
Balance	(2)	(1,640)	4,307	0	(4,307)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Workers' Compensation Internal Service Fund in the Appendix on page 663

Highlights of Key Trends:

- Employee injury rates (8.1/100) continue to be below those of the average public entity loss history (8.4/100).
- Costs of workers' compensation, which have been consistently raised by legislative rate increases, are now showing a leveling because of the impact of recent legislative and medical review changes.

294 - PROPERTY AND CASUALTY RISK INTERNAL SERVICE FUND

Operational Summary

Description:

The Property & Casualty Risk Internal Service Fund is a division of the CEO/Office of Risk Management whose mission is to preserve and protect the human and capital assets of the County of Orange.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	22,666,266
Total Final FY 2005-2006	33,154,403
Percent of County General Fund:	N/A
Total Employees:	12.00

Strategic Goals:

- It is the goal of the Property & Casualty Risk Internal Service Fund to reduce costs associated with property damage, personal injury, and litigation. This goal is achieved by acquiring commercial insurance, effective liability claims management, prudent administration of the self-insured Liability Program, and providing risk assessment and risk avoidance consultation services to all County departments.

Key Outcome Indicators:

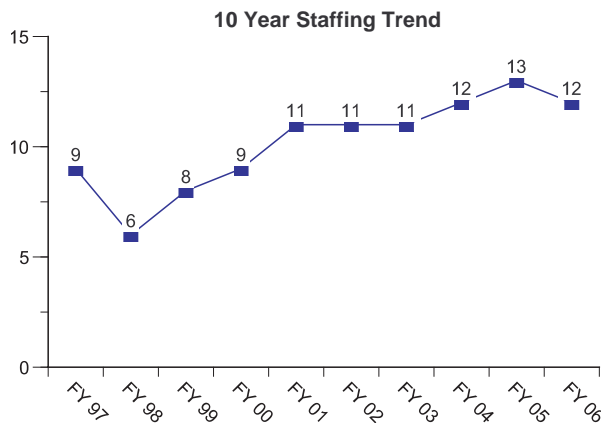
Performance Measure	2004 Business Plan	2005 Business Plan	How are we doing?
	Results	Target	
RELATIVE COST OF LIABILITY CLAIMS AND INSURANCE PROGRAM. What: Shows the total expenditures of this program as a percent of total county expenditures. Why: Provides a constant measure of costs for all County departments.	Cost of Liability Claims and Insurance Program was .54% of total county expenditures.	Remain 1% of total county expenditures.	Liability Claims and Insurance Program costs for FY 2003-2004 were .54% of total county expenditures, far less than the benchmark.

FY 2004-05 Key Project Accomplishments:

- Successfully placed all required commercial insurance for diverse and complex county needs.
- Increased insurance consultations and support in contract protections, insurance requirements, and program design to reduce risk of loss and cost.
- Obtained Board of Supervisors approval to purchase volunteer insurance to limit the County's liability exposure.

Property & Casualty Risk ISF - The Property & Casualty Risk ISF administers and manages the County's Liability Claims Management Program, the Insurance and Financial Management Program, and the Americans with Disabilities Act (ADA II) Compliance Program.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- In FY 2004-2005 a position was transferred to Resources and Development Management Department to support their insurance review process. Previous years staff increases were due to increased insurance consultations and support, increased fiscal analysis and reporting, shortened time frames for claim management and increasing responsibilities of the program.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Support the overall mission of the County Executive Office and Strategic Financial Plan.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget	Actual Exp/Rev ⁽¹⁾	Final Budget	Actual	Percent
Total Positions	13	12	12	12	0	0.00
Total Revenues	36,052,306	33,320,209	32,423,266	33,154,403	731,137	2.25
Total Requirements	20,546,076	33,320,299	22,663,690	33,154,403	10,490,713	46.29
Balance	15,506,230	(90)	9,759,576	0	(9,759,576)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Property and Casualty Risk Internal Service Fund in the Appendix on page 666

Highlights of Key Trends:

- The budgeted appropriations reflected above included unrestricted net assets.
- Complexity and diversity of liability claims continues to increase.
- The overall costs of commercial insurance is leveling in comparison to previous years insurance renewals.

295 - RETIREE MEDICAL INTERNAL SERVICE FUND

Operational Summary

Description:

The Retiree Medical Internal Service fund (ISF) provides for benefits under the Retiree Medical Insurance Program. Benefits include a monthly retiree medical grant to be applied to the health premiums of eligible retirees, and a lump sum cash benefit to separated employees not eligible to retire.

Strategic Goals:

- Fund 295 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- Per recommendation of the CEO and approval of the Board of Supervisors, a total of \$2 million from Fund 295 was utilized to cover part of the Retiree Medical Grant cost for FY 04-05. An additional \$3 million from Fund 295 will be used for the same purpose in FY 05-06. In addition, the portion of the 1% employee payroll deduction that is being used to offset part of the cost of the Grant was increased from 50% to 75% starting in pay period 23 of 2004.

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 295 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	19,638,274
Total Final FY 2005-2006	61,047,611
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

The Retiree Medical Insurance Program Grant funding is higher compared to FY 04-05 based on increases in the number of retirees and increases in the monthly Retiree Medical Grant as a result of higher health premium costs. A total of \$3 million from Fund 295 will be utilized to fund a portion of the Retiree Medical Insurance Program Grant per directions from the CEO and Board of Supervisors.

The Retiree Medical Lump Sum expenses are higher compared to FY 04-05. This was actuarially anticipated as years pass and salaries of terminating employees are higher than they were in 1993 when the program was implemented (employee 1% contributions began).

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	53,910,001	61,150,144	59,072,235	61,047,611	1,975,376	3.34
Total Requirements	15,351,611	61,150,144	19,638,274	61,047,611	41,409,337	210.86
Balance	38,558,390	0	39,433,961	0	(39,433,961)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Retiree Medical Internal Service Fund in the Appendix on page page 669

Highlights of Key Trends:

- The Retiree Medical Insurance Program Grant funding is higher compared to FY 04-05 based on increases in the number of retirees and increases in the monthly Retiree Medical Grant as a result of higher health premium costs. A total of \$3 million from Fund 295 will be utilized to fund a portion of the Retiree Medical Insurance Program Grant per directions from the CEO and Board of Supervisors.
- The Retiree Medical Lump Sum expenses are higher compared to FY 04-05. This was actuarially anticipated as years pass and salaries of terminating employees are higher than they were in 1993 when the program was implemented (employee 1% contributions began).

296 - TRANSPORTATION INTERNAL SERVICE FUND

Operational Summary

Description:

The mission of the Transportation ISF is to provide high quality vehicle maintenance and transportation services to County user departments in a timely and cost efficient manner.

Strategic Goals:

- Support County agencies and operations by operating and maintaining the vehicle fleet.
- Develop a Green Fleet plan/program which includes the acquisition of alternative fuel vehicles and construction of fueling facilities.
- Relocate repair shop operations and assess potential for consolidation.

Key Outcome Indicators:

Performance Measure	2004 Business Plan	2005 Business Plan	How are we doing?
	Results	Target	
PERFORMANCE INDICATOR FOR TISF: QUANTITATIVE SUPPORT TO COUNTY AGENCIES & OPERATIONS. What: Average percentage of time fleet vehicles are available for use by agencies and departments. Why: Indicates quantitative support to County agencies by operating & maintaining the vehicle fleet.	96.4%	A 95% average of time fleet vehicles will be available for use by agencies and departments.	Exceeding target.
PERFORMANCE INDICATOR FOR TISF: EFFICIENCY OF SUPPORT TO COUNTY AGENCIES & OPERATIONS. What: Total annual cost of the light duty fleet divided by the total miles of light duty fleet use. Why: Indicates efficiency of support to County agencies by operating and maintaining the vehicle fleet.	\$0.26	\$0.47	Exceeding target.
PERFORMANCE INDICATOR FOR TISF: CUSTOMER SATISFACTION WITH SUPPORT TO COUNTY AGENCIES & OPERATIONS What: Percentage of fleet users rating the quality of the vehicle fleet & service provided as good. Why: Indicates customer satisfaction with support to County agencies by operating the vehicle fleet.	95%	Business plan target of 95%.	On target.

Key Outcome Indicators: (Continued)

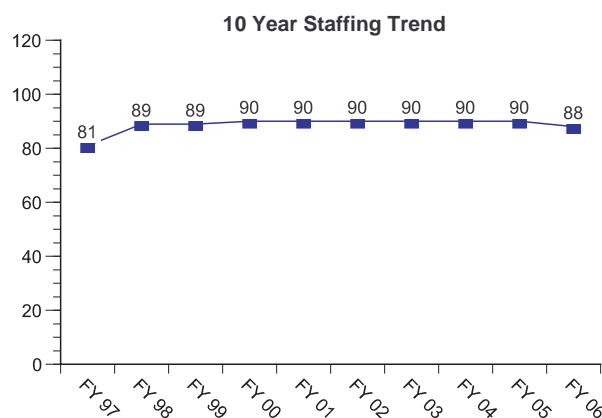
Performance Measure	2004 Business Plan	2005 Business Plan	How are we doing?
	Results	Target	
NUMBER OF VEHICLES IN THE COUNTY FLEET THAT USE ALTERNATE FUEL.	34 vehicles.	25 vehicles.	Exceeding target.
What: Number of alternate fuel vehicles in the fleet.			
Why: Indicates the increasing number of vehicles in the County fleet that use alternate fuel.			

FY 2004-05 Key Project Accomplishments:

- In 2004, TISF pool vehicles were reduced by 60 in an effort to eliminate vehicles with very low use.
- Transportation has completed an extensive review and refinement of existing TISF rates to appropriately reflect levels sufficient to fully recover cost of providing services. Rate revisions involved RDMD Transportation, RDMD Accounting, Auditor Controller, and RDMD Finance. The proposed revised FY 2005-06 rates were discussed among the CEO, Sheriff Department, and the Transportation Advisory Committee.
- TISF has established a multi-year depreciation replacement schedule by unit and agency level to better project and to manage future vehicle replacements. This will also serve as the basis to determine and project required contributions to TISF from user agencies on the excess cost of future vehicle replacements over collected depreciation revenues on retired vehicles.

Transportation ISF - Transportation ISF repairs and maintains County vehicles, operates pool vehicle fleet, operates body & paint shop, repairs motorized equipment, purchases new and replacement vehicles, and purchases automotive parts, supplies and contracted services.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- In FY 2005-06, two positions were transferred from TISF Fund 296 to Agency 080 Administration. The two positions were functioning as deputy purchasing agents for Transportation. The reassignment to RDMD Administration will allow the incumbents to perform purchasing duties for Transportation and other areas of RDMD that have transportation related activities, resulting in cost saving to Transportation Fund 296.

Budget Summary

Changes Included in the Base Budget:

In the FY 2005-06 budget a Fund Balance Reserve account 9832 is being established for Fuel Systems replacements. The Reserve account fund is the result of a 2 cent charge per gallon of fuel usage by customers.

Approved Budget Augmentations and Related Performance Results:

Unit Amount	Description	Performance Plan	Brass Ser.
PURCHASE 4 VEHICLES FOR PROBATION FACILITIES OPERATIONS - YOUTH LEADERSHIP ACADEMY Amount: \$ 120,000	Purchase 4 vehicles for 4 Fac Ops. mechanics to support Probation's YLA.	The vehicles are required to transport tools, equipment, ladders etc. in the course of duty.	2937

Approved Budget Augmentations and Related Performance Results: (Continued)

Unit Amount	Description	Performance Plan	Brass Ser.
ADDITIONAL SHERIFF VEHICLES FOR CONTRACT CITIES Amount: \$ 212,000	Purchase 8 vehicles for use by Sheriff-Coroner in various contract cities.	These vehicles are required to support additional deputies in the normal course of duty.	

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Positions	90	90	90	88	(2)	-2.22
Total Revenues	21,290,161	23,819,170	22,426,581	21,711,098	(715,483)	-3.19
Total Requirements	16,959,890	23,468,613	20,744,086	21,711,098	967,012	4.66
Balance	4,330,271	350,557	1,682,495	0	(1,682,495)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Transportation Internal Service Fund in the Appendix on page page 670

Highlights of Key Trends:

- TISF baseline budget request for FY 2005-06 includes \$21,379,098 total appropriations, which is \$1,492,267 less than FY 2004-05 Modified Budget. The decrease is

mainly due to the transfer of funds to establish a reserve account for Equipment Depreciation Replacements in the amount of \$3.1 Million in FY 2004-05.

297 - REPROGRAPHICS INTERNAL SERVICE FUND

Operational Summary

Description:

Support County agencies and operations by providing printing and publishing services.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	3,835,436
Total Final FY 2005-2006	4,947,359
Percent of County General Fund:	N/A
Total Employees:	27.00

Strategic Goals:

- Provide essential services within existing resources.
- Improve customer service through utilization of new technology, better training, effective project management and incorporation of best practices.

Key Outcome Indicators:

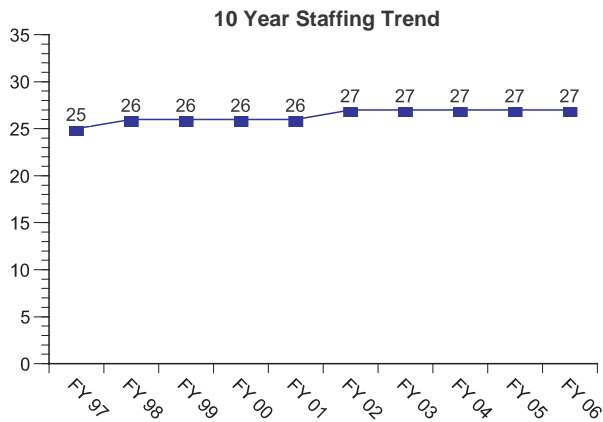
Performance Measure	2004 Business Plan Results	2005 Business Plan Target	How are we doing?
CUSTOMER SATISFACTION WITH REPROGRAPHICS SERVICES. What: Percentage of Publishing Services jobs completed to the satisfaction of requesting customers. Why: Indicates customer satisfaction with support to County agencies & operations by Publishing Services.	100%	97%	Meeting customer satisfaction.
EFFICIENCY OF PUBLISHING SERVICES TO COUNTY AGENCIES AND OPERATIONS. What: Percentage of Publishing Services jobs completed and delivered on time. Why: Meet the printing requirements of our customers in an efficient cost-effective, and timely manner	99%	97%	Meeting printing deadlines requested by our customers.

FY 2004-05 Key Project Accomplishments:

- Leased state-of-the-art electronic digital printing equipment.
- Leased state-of-the-art digital plate maker.
- Completed projects on time and to the satisfaction of the client.

Reprographics ISF - Support County agencies and operations by providing printing and publishing services.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Staffing has remained stable over the past 10 years, currently at 27 positions.

Budget Summary

Final Budget History:

Sources and Uses	FY 2003-2004 Actual Exp/Rev	FY 2004-2005 Budget	FY 2004-2005 Actual Exp/Rev ⁽¹⁾	FY 2005-2006 Final Budget	Change from FY 2004-2005	
		As of 6/30/05	As of 6/30/05		Actual Amount	Percent
Total Positions	27	27	27	27	0	0.00
Total Revenues	4,521,970	5,329,868	4,473,223	4,947,359	474,136	10.60
Total Requirements	3,762,944	5,339,868	4,337,714	4,947,359	609,645	14.05
Balance	759,026	(10,000)	135,509	0	(135,509)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Reprographics Internal Service Fund in the Appendix on page page 674

298 - SELF-INSURED BENEFITS INTERNAL SERVICE FUND

Operational Summary

Description:

The Self-Insured Benefits Internal Service Fund (ISF) provides for salary continuance, dental benefits, and administration of the Health Care and Dependent Care Reimbursement Accounts.

Strategic Goals:

- Fund 298 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- For Fiscal Year 04-05, Short Term Disability claims are anticipated to be lower than prior years due to reduction in number of claimants and amounts.

Self-Insurance Salary Continuance - The Self-Insured Benefits Internal Service Fund (ISF) provides for salary continuance, dental benefits, and administration of the Health Care and Dependent Care Reimbursement Accounts.

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 298 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	3,014,605
Total Final FY 2005-2006	8,387,302
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

Dental claims funding for Fiscal Year 05-06 is higher than Fiscal Year 04-05 based on current dental claims trend and projected increases.

A total of \$550,095 is included in the Fiscal Year 05-06 budget for Optional Benefit Plan cost related to Health Care Reimbursement and Professional Reimbursement. This has a corresponding revenue offset from departments/agencies of employees receiving the reimbursements.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	7,186,466	7,584,005	8,212,889	8,387,302	174,413	2.12
Total Requirements	2,369,480	7,584,005	3,014,605	8,387,302	5,372,697	178.22
Balance	4,816,986	0	5,198,284	0	(5,198,284)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Self-Insured Benefits Internal Service Fund in the Appendix on page page 677

Highlights of Key Trends:

- Dental claims funding for Fiscal Year 05-06 is higher than Fiscal Year 04-05 based on current dental claims trend and projected increases.
- A total of \$2,662,634 is included in the Fiscal Year 05-06 budget for costs related to Salary Continuance Benefit claims, and \$550,095 is included in the budget for

Optional Benefit Plan costs related to Health Care Reimbursement and Professional Reimbursement. Optional Benefit Plan has a corresponding revenue offset from departments/agencies of employees receiving the reimbursements.

29Z - LIFE INSURANCE INTERNAL SERVICE FUND

Operational Summary

Description:

The Life Insurance Internal Service Fund (ISF) provides for life insurance and accidental death & dismemberment insurance coverage to eligible employees.

Strategic Goals:

- Fund 29Z is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- None. This is a new Internal Service Fund starting Fiscal Year 05-06. The funds for the life insurance and accidental death & dismemberment insurance was originally in a Trust Fund.

Life Insurance Internal Service Fund - The Life Insurance Internal Service Fund (ISF) provides for life insurance and accidental death & dismemberment insurance coverage to eligible employees.

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 29Z is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	0
Total Final FY 2005-2006	1,161,125
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

The budgeted amount for expenditures for July to December 2005 is based on the current monthly premium. For January to June 2006, an estimated premium increase was added to the monthly premium in anticipation of Life and AD & D premium increases for the 2006 plan year.

For revenue, the budgeted amount for July to December 2005 is based on the current average monthly premium revenue. For January to June 2006, the same percentage increase used in budgeting expenditures was added to the average monthly premium revenue. However on a month to month basis, premium revenue collected will not match dollar for dollar to premiums paid due to timing of deductions and retroactive enrollment changes.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	0	0	0	1,161,125	1,161,125	0.00
Total Requirements	0	0	0	1,161,125	1,161,125	0.00
Balance	0	0	0	0	0	0.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Life Insurance Internal Service Fund in the Appendix on page page 684

Highlights of Key Trends:

- There are no budgeted County fees assigned as expenses within this fund as the Auditor Controller has determined that County fees such as CWCAP and Single Audit Costs are not appropriate given the uses and reve-

nue sources of this fund. Premium revenue is designed to fund only premium expenses. If a future decision imposes new non-premium costs to this fund, Net County Cost appropriations will be required to fund these expenses.